

EXHIBIT 1

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KING COUNTY
SUPERIOR COURT CLERK

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CASE NUMBER: 18-2-20168-3 SEA

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR KING COUNTY

LESLEY GUDDAL,

NO.

Plaintiff,

v.

COMPLAINT FOR DAMAGES
AND OTHER RELIEF

EXPEDIA, INC., JOE SPEAR, and WENDY
ALEXANDER, individually and as their
agents,

Defendants.

INTRODUCTION

This action is brought pursuant to common law to redress acts of wrongful discharge in violation of public policy. Plaintiff seeks lost pay, benefits and employment opportunities, emotional distress damages, attorneys' fees and costs, injunctive and other relief.

I. JURISDICTION AND VENUE

1. Defendant does business in King County. Plaintiff resides in King County, and her workplace where the acts complained herein occurred is in King County.

2. This court has jurisdiction pursuant to Washington common law.

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II. PARTIES

3. Plaintiff Lesley Guddal is a married woman residing in Vashon, Washington. She worked as an Oracle Function Analyst II in Defendant's Head Office.

4. Defendant Expedia, Inc., a Washington Corporation that employs more than eight employees and has its principal office in Bellevue, Washington. It operates an internet company in Bellevue, Washington, where, at all relevant times, Plaintiff was employed.

5. Defendant Spear resides in Kitsap County and at all relevant times was a Director of Technology for Defendant and Plaintiff's supervisor. Defendant Wendy Alexander resides in King County and at all relevant times was Director of Project Management for Defendant Expedia.

III. STATEMENT OF CLAIMS

6. Plaintiff is, *inter alia*, responsible for overseeing and proactively communicating any potential control deficiencies of financial application user provisioning including segregation of duties ("SOD") allowable exceptions review per internal controls and attesting compliance quarterly with federal Sarbanes Oxley ("SOX") requirements. 18 U.S.C. Section 1514A, *et seq.* She was tasked to lead and install an automated Segregation of Duties tool "CS Comply" by December 2017 to provide visibility to all user access and the mitigating controls identified to manage exception risk reporting.

7. In compliance with such public policy requirements, Plaintiff raised concerns with various Expedia officials that Expedia's user provisioning SOX controls did not provide or account for the unexpected, on-demand, undocumented SOD exceptions that were forced on the System Administrators to meet the acquisition release date of Egencia companies. Under

1 the current standard at the time, access was deployed to some individuals who were not entitled
2 to access based on their job function and not all risks had been identified before access was
3 released in part due to the limitations of a manual review of responsibilities. An agreement was
4 established that the automated SOD tool and CS Comply would be in production by December
5 2017 to report SOD exceptions and provide visibility that risk of fraud or misstatement due to
6 lack of training or excessive restricted access was fully transparent and the mitigating control
7 managing the risk identified.
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9 8. On or about August 9, 2016, the Plaintiff's director who created the special role for the
10 Plaintiff as compliance analyst was terminated. The interim director, Joe Spear, "do everything
11 the same as you did for Brian O'Connor, you do not need to make any changes to your job
12 duties.
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14 9. On or about May 2, 2017 the Plaintiff reported to Joe Spear and Wendy Alexander that
15 four technology vendors had both business and configuration access which was an unapproved
16 segregation of duties exception. Joe Spear responded "We are not "live yet" imposing an
17 unknown circumstance that would justify a situation that internal controls did not apply in the
18 production instance that was undocumented in internal controls and unknown to the Plaintiff.
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20 10. On or about May 4, 2017, Wendy Alexander had asked the Plaintiff to remove the
21 exception access she approved in the prior days fearing she would "lose my job, please revoke
22 the access." Within hours, the Egencia point of contact reported "several people (AR
23 accountant and project team) have some of their access removed. The issue was escalated to
24 the senior director and the undocumented exceptional access had to be restored.
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1 11. On or about May 4-27, 2017, Wendy Alexander mislead people who relied on her
2 review that access to Egencia invoices were frozen from changes, withheld information that
3 interfacing programs were not working as designed or not had a thorough User Acceptance
4 testing and sign-off. User Access requests were being demanded to fix the issues due to failed
5 interfacing programs and other unexpected issues.
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7 12. On or about July 12 2017, Joe Spear confronted the Plaintiff in a conference room.
8 "Why are you making things so difficult? Why do you even have SOX controls, you are not a
9 director? Why are you doing what you are doing? How can "we" get "Lesley" out of the
10 equation?" The Plaintiff, visibly shaken and upset, started to raise her voice and cry,
11 commenting that he was not helping her do her job, to wit: the duties granted her by Brian
12 O'Connor, the same duties he told her to keep doing. Joe Spear then agreed the situation was
13 challenging, stating that we were all stressed, and that Expedia could not have two standards,
14 only one standard, and that he was very receptive to finding a solution. He agreed to attend the
15 next audit meeting with Plaintiff. Joe Spear assigned Plaintiff to the lead Oracle Functional
16 Analyst II position to lead the Segregation of Duties Finding by Audit and install the software
17 and complete the figuration to help everyone get back to one Expedia standard.
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20 12. On or about May 18, 2017, Joe Spear confronted the Plaintiff in a conference room.
21 "Why are you making things so difficult? Why do you even have SOX controls, you are not a
22 director? Why are you doing what you are doing? How can "we" get "Lesley" out of the
23 equation?" On or about July 12 2017, Joe Spear again confronted the Plaintiff in a conference
24 room, demanding 'who told you to be this way' to which she responded it was her job (Joe did
25 not disagree), tension rose, the Plaintiff was visibly shaken and upset, started to raise her voice
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1 and cry, commenting that he was not helping her do her job, to wit: the duties granted her by
2 Brian O'Connor, the same duties he told her to keep doing. Joe Spear asked the Plaintiff to
3 lower her voice, then agreed the situation was challenging, stating that we were all stressed, and
4 that Expedia could not have two standards, only one standard, and that he was very receptive to
5 finding a solution. Tension now gone, a softer approach, he agreed to attend the next audit
6 meeting with Plaintiff and be more involved as her manager. Joe Spear assigned Plaintiff to the
7 lead the Segregation of Duties project promoted by the Finding by Audit and install the
8 software and complete the figuration to help everyone get back to one Expedia standard which
9 would be taken in phases due to the complexity of the mitigating controls match to the
10 exception rules for Expedia and later for Egencia and which was to be the primary tool for her
11 SOX controls related to user provisioning E-B-BTT-01 and E-B-BTT-52 owned by the
12 Plaintiff.
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15 13. On or about July 25, 2017, Egencia sent an email to Wendy Alexander and the Plaintiff
16 requesting to "share Expedia's control" for segregation of duties review "E-B-BTT-52" owned
17 by the Plaintiff that relied on the Segregation of Duties Matrix "E-SEC-16" which was the
18 basis of review and provided reporting for the quarterly user audit prepared by the Plaintiff and
19 reviewed by Wendy Alexander. The Plaintiff objected strongly that the control could not be
20 shared, as Egencia had a different standard than Expedia, and a different Segregation of Duties
21 "SOD" Matrix EGEU-SEC-16 not owned by the Plaintiff. The Plaintiff had a good faith belief
22 that Egencia was misleading auditors and people who relied on the report when they used the
23 Expedia control and user auditing process prepared by the Plaintiff. Egencia changed user
24 access so frequently that it required a new transaction-based report to truly reflect the full
25 picture of users' access to exception over time.
26

1 14. On October 30, 2017, Plaintiff reported vendor was deviating from Segregation of
2 Duties project and not in compliance with documenting a change in scope to the requirements
3 or disclosing what he was working related to the capital project. Joe Spear agreed to cut the
4 vendor access to project the project from missing its deadline. One week later, November 7,
5 2017, Plaintiff was told that Joe Spear was very angry at the Plaintiff and asked a co-worker to
6 restore the vendor's access in one of the restricted instances to work on an undocumented
7 "Special Project." Vendor had told Plaintiff that he was "promised wages" and he ended up
8 booking hundreds hours but scope of work was 100 hours – his work required no
9 documentation, was without transparency and accountability as required to be compliant with
10 the scope of work.
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13 15. On information and belief, on or about November 28, 2017, Defendant Wendy
14 Alexander was visibly upset about Plaintiff's persistence in voicing of concerns regarding
15 inadequate review and ambiguous approval, and that the mitigating controls were not sufficient
16 and did not match the findings of the CS Comply automated proposed set of rules that were
17 pending her approval and release to production. At the same meeting, Defendant Alexander
18 disclosed there was an audit finding related to user access but would not disclose the details.
19 Defendant Alexander abruptly ended the review meeting without providing the requested
20 approval, saying she needed to talk to Jo Haverfield before the next meeting, which never
21 happened. The Segregation of Duties project was closed, which was misleading as the tool was
22 not operational in production without establishing missing custom rules, completing necessary
23 configuration and running the scan and therefore could not be the resource to support user
24 provisioning SOX Controls user provisioning E-B-BTT-01 and E-B-BTT-52 owned by the
25 Plaintiff.
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1 16. On or about January 8, 2018, Plaintiff was called into a meeting by Defendant Joe Spear
 2 and informed that her job was being transferred to India and that she was being laid off,
 3 effective immediately, her restricted access as System Administrator ended, her employment to
 4 end in 30 days if she did not secure another position at Expedia, Inc. The job posting for the
 5 duties in India were a junior title and omitted any experience with compliance role created
 6 specifically for the Plaintiff in October 2013 related to segregation of duties review and
 7 ownership of Sarbanes-Oxley controls the Plaintiff was forced to surrender to her supervisor.

9 17. On information and belief, Plaintiff's job has not been transferred to India, nor
 10 eliminated. Several job posting with the same job title, Oracle Functional Analyst II, are ~~was~~
 11 posted as a ~~vacancy~~ while she was still at the company, and one for which she later applied and
 12 was denied an opportunity to interview. Several times a week recruiters call the Plaintiff
 13 saying she would be a good match for more open Oracle Functional Analyst II open positions.

15 18. For the past eleven years, Plaintiff has performed excellent work for Expedia, and other
 16 than raising issues about Expedia's lack of compliance with Sarbanes Oxley, has an
 17 unblemished record.

19 19. By laying Plaintiff off shortly after her raising public policy concerns, Defendants have
 20 retaliated against and wrongfully discharged her.

22 20. As a result of the wrongful discharge and retaliation, and Defendants' failure to redress
 23 it, Plaintiff suffered and continues to suffer economic damages and severe emotional distress.

24 COUNT I

25 Defendants have engaged in wrongful discharge of Plaintiff.

26 COUNT II

1 Defendants have retaliated against Plaintiff in violation of Washington common law.

2 COUNT III

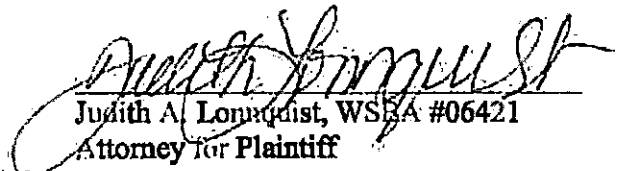
3 Defendants have acted in violation of federal and state public policy.

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5 WHEREFORE, Plaintiff respectfully requests the following relief:

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- 7 A. Back pay and other economic damages;
 - 8 B. Emotional distress damages;
 - 9 C. Pre-judgment interest;
 - 10 D. Reasonable attorney's fees and litigation expenses pursuant to RCW 49.48.030;
 - 11 E. Injunctive relief;
 - 12 F. Tax relief;
 - 13 G. Costs;
 - 14 H. Such other relief as the Court deems appropriate.
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16 Dated this 9th day of August, 2018.

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18 LAW OFFICES OF JUDITH A.
19 LONNQUIST, P.S.

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22 Judith A. Lonnquist, WSEA #06421
23 Attorney for Plaintiff
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